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THE CHICAGO SUBWAY PROBLEM

In 1907 the city of Chicago adopted the "Settlement Ordinances," the purpose of which was to bring to an end the long and bitter struggle between the traction companies and the city, and to secure a complete rehabilitation and reconstruction of the run-down and inadequate street-railway system. The ordinances provided that the reconstruction of the properties and their operation should be supervised by a Board of Supervising Engineers containing a representative of the companies, a representative of the city, and a representative of the general public. Furthermore, the city was to receive 55 per cent of all net receipts above a 5 per cent return on capital invested in the properties.

The ordinances have now been in operation seven years. The rehabilitation of the street railway properties has been a genuine one. About 560 miles of track have been built new or rebuilt. The trackage has been so constructed that there is little bumping and jolting of passengers. Hundreds of new cars, splendidly equipped with long platforms, commodious seats, motor-driven ventilators, automatic heat regulators, and other improved devices, have been added. Probably not in the history of the world has such a great sum of money been spent in the re-equipment of a street-railway system in a similar period of time. It is claimed by engineering experts that no city has seen such a remarkable transformation in the character of its street-railway properties in so short a time and that there is no street-railway system whose physical properties can compare with the Chicago system. According to Bion J. Arnold, chief engineer of the Board of Supervising Engineers, and one of the best-known traction experts in the country, "the physical condition of the traction properties in Chicago is now at its maximum, and unquestionably is above that of any other city in the United States."¹ Further, many through routes have been installed, largely doing away with the necessity of downtown change of cars and double fares.

¹ In *Citizens' Bulletin*, Cincinnati, June 15, 1912.

But the ordinary street-railway patron is not so much interested in the nature of the physical equipment of a company as in the rapidity and the adequacy of the service offered. "Do the cars make good time?" and "Can I get a seat?" These are the questions in which he is most concerned. Unfortunately, passengers in Chicago found that the new cars, as the old ones, were compelled to creep by inches through the downtown district and that on the reconstructed properties, as on the old dilapidated ones, thousands must cling to the strap on their ride to and from their daily toil.

On March 20, 1909, the City Subway Bureau, an organization established to study the subway problem, reported that on December 24, 1908, out of 80,600 passengers carried into the business district between 6 and 9 o'clock A.M., 20,000 had no seats, and of the 105,000 passengers carried out of the downtown district between 4:30 and 7:30 o'clock P.M., 30,000 had no seats. On a normal Saturday in June, 1909, the Subway Bureau reported that the number of passengers compelled to ride without seats was 88,490.

The public was patient in awaiting an improved service, trusting that the physical reconstruction of the properties, which commenced immediately after the ordinances of 1907 were adopted, would bring the needed relief. But during 1909-10 public indignation because of the overcrowding, which still existed, became pronounced. It was charged that in cars bound for the outlying districts, not only all the seats, but all the straps and standing-room were taken before the cars left the downtown districts. Dissatisfaction was especially marked regarding over-crowding on State Street, Madison Street, and other of the more important thoroughfares. The complaints of slow service in the downtown section were substantiated by the report of the Board of Supervising Engineers for 1911 which, in a study of inner city congestion, pointed out that on each trip through the "loop," or downtown, district, cars lost from 5 to 10 minutes.

What is the explanation for this persistence of overcrowding? One explanation must be found in the inadequate facilities provided by the companies in some sections of the city. There has been a great increase in traffic since 1907, and in some portions of the

city the companies have failed to provide proper cars and facilities for this increased business. The most important explanation, however, is to be found in the fact that the downtown tracks are being used to their utmost capacity. The simple fact is that the present downtown trackage could not accommodate more cars, and there is no room for additional trackage. The Board of Supervising Engineers in its annual report for 1911, in discussing the serious loss of time by each car traversing the downtown district, said, "for this there is no remedy except relief of surface lines by improved elevated and subway facilities, and also relief of the streets from car interference as soon as possible." Again, in discussing the additional cars needed to care for the traffic, in 1913, the Board said, "It is idle to consider the addition of all this equipment to the present tracks in the center of the loop. . . . The surface tracks have neither the required capacity nor freedom from traffic obstruction." Overcrowding and delays on the routes which cross the downtown section are largely due to the lack of additional track capacity and to the choked thoroughfares of the city.

It was recognized shortly after the rehabilitation of the surface lines began that, while important improvements in service and equipment might be made, a really satisfactory system could not be obtained without additional means of transit, which would not be blockaded by downtown street traffic and which would have a speed sufficient to give a large carrying capacity to the trackage. There appeared to be but two methods of transportation which would meet these requirements, i.e., elevated railroads and subways. Elevated railroads to solve the problem were out of the question. The city already possessed four systems of elevated railroads, in addition to the elevated loop, which encircled the heart of the business district. Against these roads there had been for years a constant protest, and particularly against the noisy and darkening loop, on which there was an incessant rumbling, banging, and roaring produced by its constant stream of trains. The trackage of these roads, with its large stations and long platforms, occupies the whole width of some downtown streets, materially darkening important sections of the city. Great pillars and supports, set in

the streets, are a hindrance to traffic and a cause of congestion. The opposition to these roads was so strong that for some time there had been a vigorous effort made by property owners and tenants along the route of the loop to have the entire loop structure torn down. With such a state of public feeling, additional elevated roads were not to be thought of. A subway appeared to be the only alternative, and since 1908 the local administrations have been endeavoring to inaugurate such a project.

Apparently the first official action regarding the construction of a subway was taken on October 26, 1908, when the City Council appropriated from the "traction fund" \$50,000 for the preparation of comprehensive subway plans¹ by a "Subway Bureau." In June, 1909, the Subway Bureau issued comprehensive plans for the systematic development of a future subway system which should not only exist in the loop district, but which should ramify therefrom into all parts of the city. It was estimated that such a subway would cost from \$100,000,000 to \$112,000,000. No action was taken upon these plans, although the newspapers were constantly demanding subway legislation.

On May 22, 1911, the Local Transportation Committee of the City Council began a series of public hearings, at which various plans for subways were discussed. Seven different sets of plans were submitted at these hearings, some by city officials and some by private individuals or corporations desiring to construct or operate subways. No action was taken by the Council on any of the plans or recommendations submitted, and, apparently desirous of considering more plans or of delaying action, the Council, on July 15, 1912, adopted a resolution instructing the Subway Commission, which it had previously created, to prepare and submit plans for a comprehensive underground transportation system, "which shall extend into the outlying districts, and which shall be designed to remedy the existing traction evils of the city of Chicago." On September 10, 1912, the Subway Commission submitted such plans, indorsed by the subcommittee of the Local Transportation Committee of the City Council. These plans provided for a 56-mile subway, with 131 miles of track, at an estimated cost of

¹ *Council Proceedings, 1908-1909*, p. 1633.

\$130,000,000. The subway was to be operated entirely independently of existing transportation lines. The routes recommended were held to "offer the simplest and most direct method of furnishing adequate transportation facilities on the lines of established travel."

During the consideration of the subway project by the City Council, a vigorous opposition to a municipal subway developed. This opposition came from two sources: from the street railway and elevated railroads, who foresaw an independent municipal subway as a competitor, and from the merchants and dealers in the outlying districts, who feared a subway would increase the business of the downtown merchants at their expense. The first effort of the local transportation interests to prevent a subway which they did not control was a joint effort of the elevated and surface roads. On February 13, 1913, the elevated and surface companies presented to the city a proposal which made important service concessions to the public, and gave the companies the privilege of building and operating the subway. Among the most important of the inducements held forth to the city were the consolidation of all the companies, with a five-cent fare and free transfers between all lines, surface, elevated, and the proposed subway. This was a concession of the utmost importance, since the elevated lines did not give transfers upon each other nor upon the surface lines, and the surface lines did not give transfers upon the elevated lines nor upon each other in the downtown district. The unified company was to build and operate a downtown subway, with additional subways throughout the city, as traffic might warrant. It was proposed that the company be allowed 7 per cent returns upon the capital value of its properties, the remainder to be divided, 70 per cent to the city and 30 per cent to the company.

Much favorable sentiment was at once aroused in favor of this proposal. Such a plan, if carried out, would mean a subway for rapid transit, with surface and elevated lines as feeders, with one five-cent fare good upon all. In response to public sentiment, the City Council opened negotiations for a merger and subway, along the lines proposed by the companies. During the course of these negotiations it appeared that the companies expected to demand a

long term or indeterminate franchise for the new company upon the ground that the necessary capital for subways could not be secured otherwise. This proposal met bitter opposition, for Chicago, since the iniquitous "Ninety-nine Year Act," passed in 1865, has been a foe to long-term franchise grants. The companies insisted upon a franchise which should run until terminated by city purchase of the physical properties. Since it was evident that the purchase price for the consolidated properties together with the proposed subway would be at least \$300,000,000, a sum which would probably be difficult for the city to raise, it was felt that the companies were simply endeavoring to secure a perpetual franchise. On April 30, 1913, the City Council voted against any grant being given for more than twenty years, whereupon negotiations for the merger and private subway were dropped by the companies.

Shortly afterward, negotiations which would prevent a subway as a competitor were reopened by the elevated railroad companies without the co-operation of the surface companies. On May 16, 1913, the elevated companies in a letter to the Local Transportation Committee, indicated their willingness to make improvements in their service which had been long desired by the public, if the city would build a subway and rent it to them. The concessions offered were the removal of the iron loop elevated structure, the through routing of elevated trains, and free transfers on the elevated lines. Up to this time the trains on each elevated road had operated simply from the outer terminus to the loop, and back again, making it necessary for a passenger desiring to use two of the elevated roads on a trip to change trains downtown and to pay a double fare. The proposed concessions would abolish this condition. In return the companies asked that the city build a downtown subway to take the place of the loop, in which they could operate their trains, and for the use of which the companies indicated their willingness to pay a reasonable rental. The improvements in facilities offered by the elevated roads made a strong appeal to the public, but no action on the proposal was taken by the Council.

The effort of the transportation interests seems to have been simply to prevent the construction of a subway which would be operated as a competitor to them. But the City Council met

another opposition, which was against the construction of any subway whatever. The merchants and retail dealers in the outlying districts, who felt that a subway offering really rapid transit would seriously injure their business, had organized a movement in opposition to the project. With more rapid transportation facilities, it was urged, customers would go downtown to make their purchases to the disadvantage of the dealers in the outlying districts, and the subway was consequently but a scheme of downtown merchants to bring business from the suburbs into the loop. Numerous associations and business men's organizations in the suburban districts adopted resolutions condemning the plan. On October 23, 1911, Mayor Harrison sent out letters to fifty such organizations, endeavoring to convince them that a subway would promote the best interests of the whole city. In his letter the Mayor said: "Rapid transit in through-route subways will be beneficial to every section of the city. This is the history in every other city. . . . The outlying centers cannot be built up by killing the business center, and in no way can you more fully develop outlying districts than by giving rapid transit with a single fare."

On July 30, 1913, Mayor Harrison, who had been a consistent advocate of subways, in an effort to hasten definite action, submitted to the Council two ordinances which he desired be submitted to a referendum vote the following April. The first ordinance provided for a downtown subway to replace the loop, to be constructed by the city and leased to the elevated lines; the second proposal was for the construction of a comprehensive city-wide subway to be built and operated by a private company upon terms which could insure its ultimate ownership by the city. The Mayor later gave his personal indorsement to the plan outlined in the second ordinance.

On October 29, 1913, the Board of Supervising Engineers, the organization which supervises the surface lines, submitted to the Local Transportation Committee a report on the subway problem. The Board recommended the construction by the city of an initial subway in the downtown district, for the surface cars, in order that the surface cars might be freed from delays and be enabled to make better speed in this congested district. The cost of such a subway

was estimated at about \$18,000,000. It was apparent that construction of such a subway could be commenced by the city at once, since there was already in the "traction fund" \$12,000,000 (money obtained by the division of net receipts of the surface lines between the city and the companies), which amount would be materially increased before the subway could be completed. Immediately Mayor Harrison dubbed this plan "the dinky subway" and took an unqualified stand in favor of a city-wide subway to be operated independently of the existing transportation companies.

The advocates of both projects began at once a campaign for testing public sentiment, under the Public Policy law of Illinois. Both proposals secured the number of names which the law requires for a popular vote. The proposal for the comprehensive subway read as follows: "Shall the city of Chicago proceed to the construction of a comprehensive system of through-route, rapid-transit subways, between 79th Street and Lawrence Avenue and Cicero Avenue, to be built under streets in said territory, with a universal five-cent fare and upon such terms as will insure municipal ownership of the entire subway system within a period of approximately thirty years, out of the earnings of the subway?" The proposal for an initial subway in the downtown district to be leased to the surface lines was as follows: "Shall the city of Chicago construct an initial system of municipally owned passenger subways in the city of Chicago, and use its traction fund for that purpose to the extent that the same shall be sufficient, such system of subways to be extended from time to time, as traffic conditions may require, and when constructed, the use thereof, to the extent specified in the following named ordinance, to be leased on a fair basis to the surface street railway companies of Chicago to February 1, 1927, and to be operated by them in connection with the unified operation of their systems, for a single five-cent fare with universal transfers, all pursuant to the terms and provisions of an ordinance passed by the City Council of the city of Chicago, prior to April 7, 1914, entitled 'An Ordinance for the construction by the city of Chicago of a system of subways for passenger transportation in the city of Chicago and for leasing of said subway to the surface street railway companies?'"

The proposal for the initial subway was so drawn as to call for the passage of an ordinance by the City Council before April 7, 1914, which would provide in detail for the construction of the subway and the terms of lease to the surface companies. It had been presumed that the Council would be able to pass such an ordinance in ample time before the election of April 7, so that the voters might know the terms upon which it was proposed to build and to lease the subway. Early in the negotiations disagreement arose as to what would constitute a proper rental. The Subway Subcommittee of the Local Transportation Committee offered two propositions to the surface lines. One provided that the companies (the Chicago City Railway Company, and the Chicago Railways Company) should pay a rental of 5 per cent on the cost of the subways, and the other provided that they pay as rental all that would be saved by operating the surface cars in the subway and submit to having their profits limited to a fixed percentage. Both proposals the companies rejected, making an offer, on February 20, to pay to the city as rental an amount equivalent to 1 per cent of their gross receipts. This offer was rejected by the subcommittee upon the advice of the Board of Supervising Engineers.

Following this failure to agree upon an ordinance, the Subway Subcommittee, on March 9, 1914, adopted a resolution stating that its efforts had met defeat and that it would be unable to formulate a subway ordinance before the referendum vote of April 7. The petition for a referendum vote was for a test of public sentiment upon an ordinance to be "passed by the Council prior to April 7, 1914." Since, however, it was now evident that no such ordinance would be passed by April 7, 1914, the uselessness of a popular vote was apparent. Therefore, on March 23, the Board of Election Commissioners, upon the request of the Council, decided to eliminate the question from the ballot. This peculiar chain of events brought it about that the comprehensive subway question was the only subway proposal to go on the ballot. This question, being stated in a general form and not referring to any particular ordinance, did not require the passage of an ordinance by the Council before it could be voted upon by the electors.

An active campaign was conducted to secure a favorable vote upon the comprehensive subway proposal. The fight in its behalf was led by Mayor Harrison, the *Chicago Examiner*, and the Chicago Comprehensive Subway League. Many prominent leaders in the Cook County Democracy indorsed the project, and it was regarded as a measure backed by the municipal administration, although the campaign was not conducted strictly upon party lines.

The comprehensive subway project met with a determined opposition of unexpected strength. All the daily newspapers with but two exceptions were outspoken opponents of the measure. It was contended by those opposed to favorable action on the subway referendum that the construction of an independent system, as contemplated, would undo the results already achieved toward securing one fare throughout the entire city, since it would introduce into the transportation field a new competitor, with a separate fare; that the proposal involved the abandonment of the twenty-year franchise policy so long adhered to by Chicago with all its municipal utilities, since the manifest purpose of the proposal was to grant a franchise for thirty years; that since the state law prohibited street railway grants for more than twenty years, if a subway were held to be a street railway it would be necessary to secure special legislation from the legislature to grant a thirty-year franchise, which might take several years to obtain, if possible to obtain it at all; that the voters should not approve any subway project which rested simply upon a statement of purposes to be secured and not on a specific and detailed ordinance; that Chicago could not support financially a subway estimated to cost \$150,000,000; that the city could not build such an expensive subway as contemplated because it had no way of securing the necessary funds, on account of the constitutional limitation of the city debt, and that it would be impossible to tempt private capital to build the subway upon such terms that the subway would revert to the city upon expiration of the franchise. In view of all these difficulties, it was contended that the wise thing to do was to build an "initial" subway, that is, a downtown subway, through which the surface cars would run in the downtown district, thereby relieving congestion and increasing the rate of speed. This, it was urged, could be done by the city at

once, since it had money estimated to be sufficient for this purpose in its traction fund and since no additional action from the legislature would be required. Such a subway, it was contended, could be constructed immediately and enlarged as the city should find itself able. The opposition to the subway project, therefore, resolved itself largely into an effort to demonstrate the advantages of constructing a downtown or initial subway by the city, as recommended by the Board of Supervising Engineers, to be leased to the surface lines, thus preserving the one-fare principle. The great advantage of this method was claimed to be that it was immediately feasible, whereas the comprehensive project would not prove to be so. Another source of strong opposition came from the associations of business men and retail dealers of the suburban and outlying districts who felt that such a city-wide rapid-transit system as that proposed would greatly injure their business, and attract customers to do their shopping downtown. Needless to say, the argument was not often publicly stated in this form.¹

The defendants of the comprehensive subway plan regarded the so-called "initial subway" with derision. They maintained that Chicago needed genuinely rapid transit, which could not be obtained by simply putting the surface cars underground in the

¹ Among the organizations which fought the comprehensive subway proposal, were the following, all of which contributed funds to the campaign against it, according to the statement of Mr. Tomaz F. Deuther, made on April 4, 1914, on behalf of the Citizens' Anti-Subway Committee. It will be noted that most of these organizations represent those interested in business outside of the downtown district.

The Cook County Real Estate Board
The Northwest Side Commercial Association
The Madison Street Business Men
The Blue Island Avenue Business Men
The West Side Commercial League
The South End Business Men's Association
The Retail Merchants' Association
The East Side Improvement Association
The Tenth Ward Taxpayers Association
The North Avenue Business Men's Association
The United Grocers and Butchers' Association
The North Clark Street Business Men's Association
The Chicago Retail Hardware Association
The Lake View Business Men's Association
The South Side Business Men's Association

downtown and congested districts; that provision should be made for rapid transportation to and from the outlying sections; that such a subway would open up many new areas for home-building; that although impossible to limit the franchise to twenty years because of the difficulty of securing such a large amount of capital, ample private capital would be forthcoming for the enterprise upon terms which would provide for absolute municipal ownership at the expiration of a thirty-year franchise. In reply to the criticism that the comprehensive subway would mean a transportation agency charging a separate fare it was maintained that an independent competitor was desirable, in order to induce the existing agencies to give proper service and fair treatment to the public. Instead of injuring business in the outlying districts, it was maintained that such a subway would greatly encourage such business, because of the incentive which it would give to the development of suburban residential districts.

On April 7, 1914, the comprehensive subway proposal was defeated by a vote of 272,401 to 118,010. But this vote does not conclusively indicate that Chicago citizens do not want a city-wide system of subways. Many who voted against this proposal did so because they wanted subway construction to begin as soon as possible, and they felt that the comprehensive system contemplated could not be begun for many years owing to the legal and financial difficulties, whereas the initial subway could be commenced at once and enlarged later. Others who voted against the project favored subways but felt that a definite plan should be submitted in detail. Apparently, however, the two strongest considerations leading to the defeat of the proposition were the fact that it contemplated a new transportation agency not giving or accepting transfers to or from the surface lines and the elevated roads; and the foolish fear that a subway would build up the downtown business houses at the expense of business men in the outlying districts. It will readily be seen, therefore, that a subway proposal upon different terms might be approved by the electorate of Chicago. And that the voters will be called upon in the near future to express themselves upon other subway propositions is extremely likely. The initial subway plan recommended by the Board of Supervising

Engineers, and for the construction of which there is already practically enough money in the "traction fund," has not yet been voted upon by the electors, and there are other subway plans under discussion. While a referendum vote is not necessary before the Council can act, the voters of Chicago have become so accustomed to being consulted on all important transportation matters, that it is not likely they would permit the Council to take any final action on subway matters without demanding an expression of public sentiment.

Until a subway or other new means of transportation is introduced, Chicago can expect little material improvement in transportation in or through the downtown district. A subway for the surface cars in the congested districts as recommended by the Board of Supervising Engineers would greatly improve the situation by eliminating the delays caused by street traffic and congestion, and by greatly increasing the possible speed and therefore the number of cars which might be operated. The city possesses both the legal power and the funds with which to construct such a subway. A downtown subway for the elevated trains, as suggested by Mayor Harrison's alternative plans, would serve to lessen the street congestion and overcrowding on the surface cars by diverting much traffic to the elevated roads, which would be enabled to handle it by increased trackage facilities, and would also do away with the annoying and unsightly loop. A city-owned subway, confined not to the downtown section, but extending to the outer districts, as urged by Mayor Harrison, would not only decrease the overcrowding upon cars by increasing the number of cars operated, and lessen the street congestion by placing most of the cars underground, but by providing genuinely rapid transit to the outlying districts, it would materially lessen the amount of time spent upon the cars by passengers, many of whom now spend an hour and a half to two hours per day going and coming from work. But the city has no funds with which to construct such a municipal subway, and it is doubtful whether it could secure them. It is questionable whether the city possesses the power to grant a subway franchise for more than twenty years, and it is doubtful whether private capital could be secured for such a project upon a

twenty-year franchise. A recent proposal to inaugurate a system of through routes upon the steam railroads which enter the city has attracted considerable attention.¹ It is urged that the downtown terminals of the various steam roads should be linked together by means of subways, and that trains "through routed" from one end of the city to the other be then run over the various steam roads, whose tracks ramify in all directions from the downtown district. That such a plan would provide genuinely rapid transit is evident. Apparently, however, it would necessitate the electrification of the railroads which does not appear to be an immediate possibility. Which of these, or other, plans will be adopted remains for the City Council, or the voters, to decide. But until a subway, or other new means of transportation is constructed, Chicago must expect to suffer inadequate transportation facilities. No alternative exists.

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¹ See *Through Routes for Chicago's Steam Railroads*, by Geo. E. Hooker, published by the Chicago City Club, 1914.